



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Mengle
Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

September 10, 1987

Oliver W. Gushee, Jr., Esq.
Pruitt, Gushee and Fletcher
Beneficial Life Tower, Suite 1850
Salt Lake City, Utah 84111

Dear Mr. Gushee,

Re: Final Approval, Mining and Reclamation Plan, Pilot Plant
Development Phase, Sevier Dry Lake Project, M/027/008-(86)1,
Millard County, Utah

On August 27, 1987, the Board of Oil, Gas and Mining granted approval on the form and amount of reclamation surety for the above referenced project. The conditions outlined in the Division's Tentative Approval letter of February 23, 1987, have now been adequately addressed, and formal approval is hereby (belatedly) granted.

I have enclosed your duplicate original Collateral Bonding and Indemnity Agreement signed by the Chairman of the Board of Oil, Gas and Mining. Please be advised that unless other bonding arrangements are made prior to December 15, 1987, the Division may initiate the termination procedure outlined by items 6 and 7 of the above referenced agreement. Should you have any questions or concerns in this regard, please contact me at your earliest convenience.

Thank you for your cooperation and please extend our best wishes to Crystal Peak Minerals for a successful project.

Sincerely,

D. Wayne Hedberg
for Lowell P. Braxton
Administrator
Mineral Resource Development
and Reclamation Program

clj
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Enclosure